

FISCAL NOTE WORKSHEET (Revised Nov. 2006)

Agency: Utah State Office of Education
Daniel Schoenfeld
 Requested By

Bill Number HB111

Office of the Legislative Fiscal Analyst
 W310 State Capitol Complex
 Salt Lake City, UT 84114-5310
 538-1034 / Fax 538-1692

Fax/Electronic Mail Transmittal

Date:	<u>January 17, 2007</u>
Name:	<u>Daniel Schoenfeld</u>
Fax Number:	

Please return to Fiscal Analyst by: January 17, 2007

TITLE OF BILL: PERSONAL PROPERTY - CERTIFIED TAX RATE AMENDMENTS

This Bill Takes Effect: ☐ On Passage ☐ On July 1 ☐ 60 Days after session ☒ Other 1/1/2007

Bill Carries Own Appropriation: ☐

FISCAL IMPACT OF PROPOSED LEGISLATION

A. Revenue Impact by Source of Funds:

First Year

Second Year

	First Year	Second Year
1. General Fund		
2. Unifrom School Fund - Free Revenue		
3. Transportation Fund		
4. Collections		
5. Other Funds (List Below)		
6 Local Funds		
7. TOTAL	\$0	\$0

B. Expenditure Impact by Source of Funds:

1. General Funds		
2. Unifrom School Fund - Free Revenue		
3. Transportation Fund		
4. Collections		
5. Other Funds (List Below)		
6 Local Funds		
7. TOTAL	\$0	\$0

C. Expenditure Impact Summary:

1. Salaries, Wages and Benefits		
2. Travel		
3. Current Expenses		
4. Capital Outlay		
5. Other (Specify)		
6. TOTAL	\$0	\$0

D. Impact in Future Years?

If no fiscal impact in first two years, indicate if there will be any impact in future years, and explain. Also, indicate any significant changes in fiscal impact beyond the first two years.(Use back side, if necessary.)

E. Identify Sections of the Bill That Will Generate the Additional Workload or Cost Increase

Lines 49-51, 96-98, 345-347, 404-405, 435-445, 488-490, and 678-687 eliminate property tax revenue received from personal property assessed by a county assessor.

F. Expenditure Impact Details (*Ties to totals in Section C*)

Eliminating personal property tax revenue received from personal property assessed by a county assessor in the calculation of the Certified Tax Rate may have a negative impact on the amount of funding sent to the school districts from the Uniform School Fund and the amount of revenue districts receive from their tax collections. If this elimination causes the tax collections from the Basic Rate to go down, the amount of state funds from the Uniform School Fund going to the districts will increase. Certified tax rates will be more volatile and difficult to estimate as accurately. In addition, the estimate of the Basic Tax Rate levy will become more difficult and potentially less accurate than the current process. Redevelopment (RDA) tax increment finance revenues are generated by multiplying incremental value, which currently includes personal property value, by the tax rates of the taxing entities within the RDA. RDAs do not receive a share of Fee-in-Lieu or age-based revenues because those revenues are distributed based on a taxing entity's tax rate as a percentage of total tax rate of the taxing areas. Since RDAs do not have their own tax rate, they would not receive any revenues from personal property values.

G. No Fiscal Impact or Will Not Require Additional Appropriations?

Specify why this bill will have no fiscal impact on your agency or institution.

Specify how you will reallocate workloads, resources, or funding sources to eliminate need for additional appropriations. (USE ATTACHMENTS IF NECESSARY.)

H. If Bill Carries It's Own Appropriation:

Indicate if the amount appropriated is adequate to meet the purposes of the bill.

Are there future additional costs anticipated beyond the appropriation in the bill?

I. Impact on Local Governments, Businesses, Associations, and Individuals

Specify requirements in the bill that drive the impact on local governments.

*Indicate costs or savings that are **DIRECT and MEASURABLE**. If direct and measurable data are not available, are there areas that potentially could have a fiscal impact? (USE ATTACHMENT IF NECESSARY.)*

Local School Districts/Charter Schools : Eliminating personal property tax revenue assessed by a county assessor may cause locally generated funds to decrease.

Businesses and Associations :

Individuals :

Narrative Description of Bill : *This bill redefines "ad valorem property tax revenue" to exclude property tax revenue received statewide from personal property assessed by a county assessor.*